Interview: Jean-Charles Foddis – Executive Director, Aderly / Invest in Lyon, France



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Jean-Charles Foddis, executive director of Aderly, Lyon's main investment agency, discusses the city's history of economic development while highlighting its main strengths and challenges for the future in life sciences.

You came to Aderly in August 2015, having previously worked in a number of different positions predominantly in life sciences. What were your initial objectives?

Firstly, my motivation is centered on the fact that I am convinced that Lyon is a dynamic place. I am from Lyon and have spent my entire career here, working for local mid-sized companies as well as for international companies and I have always been involved in worldwide markets; I have seen this city change dramatically in the last 20 years in every dimension: the city itself, its economic and social development, education, and so on. I am still convinced that Lyon has all the qualities to become an even bigger city in the future. Therefore my initial objective in arriving here is to contribute to this dynamic by utilizing my own experience from my career in private companies, and to provide a complementary view to help contribute to Lyon's economic development.

What historical factors have led to Lyon's strong competitiveness for innovation and business competitiveness today?

Lyon has long been recognized as an industrial and merchant city, back to the Renaissance and the beginning of the silk industry. As far as it may be, this still explains much our present economy. The capital of silk had to develop banks for commercial reasons, chemicals in order to dye silk, and international networks in relation to those innovations. This is still what Lyon is: open, industrial, and innovative. However the silk industry is no longer a major sector, Lyon still relies on two historic sectors: chemical and health industries that were developed consecutively. Over the past two decades, Lyon also became more ambitious in order to confirm its international influence in a more competitive context. Both the local authorities and the private sector representatives have worked together in order to highlight Lyon on the international scene and transform the city in many aspects: urban planning, economic strategy, support to innovation, etc… As a result, Lyon is now ranked the 7th most attractive city in Europe and the 19th most innovative city in the world!

From the industrial perspective, there is a long history ranging from silicone and textiles in earlier days to chemical, medical, and pharmaceutical industries today with leading names like Pasteur and Merieux along with others for many years. There exists a large basis of activity to continue building and developing in the future thanks to the long-term vision established over the last 25 years.

What do you perceive as the main strengths and weaknesses of the region?

One of Lyon’s main strengths is the very strong will of development, and the long-term vision of the development of the city and the Metropole, which is at the basis of every decision taken here. I had previous opportunities in other jobs to work with Aderly, and that has allowed me to think about the different initiatives led by this agency to see the efficiency of this organization, the consistency between the long-term strategy of the city and Aderly’s actions.

What are the main goals of this long-term strategy?

The global ambition is to make Lyon a model of a balanced development, uniting quality of life and economic excellence in order to be at the same time a human capital and a leading innovative center. This is the main guideline in any sector, for all the projects and structures active in the city’s development.

As far as economy is concerned, Lyon is focusing on a few sectors that are life sciences, cleantech, digital, and smart city technologies. Many of those sectors are linked to academic and urban projects developments, and are also useful guidelines for Aderly in its international priorities.

How can Lyon help foster economic growth for all of France?

The situation in Lyon and the Rhône-Alpes region is better than the average situation in France in terms of employment and growth. Another important point is Lyon's geographical situation; this city is at the crossroads of Northern and Southern Europe, with well-organized connections to every country on the continent within two hours. Lyon's size, which is comparable to Frankfurt or Barcelona, allows Lyon to be strong enough to develop itself in good conditions. Rhône-Alpes is the 6th largest economic region in Europe, with a population comparable to Switzerland or Denmark. Therefore we have here the critical size to develop well.

Lyon demonstrates excellence in the life science areas of vaccines, infectious diseases, oncology and neurology as seen through the tremendous number of research centers and hospitals based here. Are there any particular successes worth highlighting as being demonstrable of what Lyon can contribute to the global life science sector?

Indeed, Lyon has pioneered in industrial biology and life sciences today account for 600 firms and 60,000 jobs. Lyon is now world #1 for vaccines and diagnostics for humans and animals and one of the world's leading vaccine production centers, with a dense network of scientific, clinical and industrial players. They form a stimulating fabric alongside the sector's leaders such as Sanofi-Pasteur, Merial, BioMerieux, and Becton Dickinson.

During the last 20 years, there have been some very concrete initiatives as Lyon has highlighted and organized its expertise in infectious diseases through the creation of the Biodistrict Lyon-Gerland, which groups together world-class private and public institutions in the South of Lyon, including the world-class cluster Lyonbiopole. Since it was founded in 2005, Lyonbiopole has led 169 collaborative R&D projects for a total investment of €777 million, €312 million of which was obtained from the public sector. Those investments will go on with the opening by 2017 of the Bioaster Tehnology Research Institute (TRI) which plans the construction of a 40,000 square meter real estate complex by 2017 and will employ over 1,000 researchers within ten years for those projects in infectious diseases and microbiology, some major bio companies also continue to grow their business here. As an example, Sanofi Pasteur has recently invested another €300 million to build a new production site of vaccines against the Dengue virus and relocated in Lyon a great part of its French employees to strengthen his local position.

In this perspective Aderly shall continue to attract new innovative companies in this field thanks to those massive infrastructure and productive ecosystem.

France has an interventionist view compared to US or UK regarding financing these types of projects. Is it more a matter of private or family companies in France or the

government that is ready to invest in the flourishing of a strong biotech scene in the region?

There are some financial incentives at the country level, primarily tax credits, which are really important to promote, ease and push innovation.
There are also strong actions from the larger local companies to finance and develop innovation. This is locally supported by the country's fiscal system.

But in Lyon specifically as well, lots of capital is dedicated to support innovation with some collaborative projects, allowing fundamental research to collaborate and develop new innovation, particularly for the creation of startups. For example "Big Booster" is a startup program developed jointly between the cities of Lyon and Boston. The aim of this program is to accelerate the creation and set up in Boston and Lyon in the life science sector, supported by local public and private organizations.

So where does Aderly fits into that picture, in terms of helping to promote these smaller companies can get the exposure they need?

Aderly promotes Lyon at an international level and detects and accompanies the setup process of new companies in the Lyon region. This is complementary to the system mentioned earlier. At an operational level, Aderly supports the establishment of these companies locally. We have some resources dedicated to the strategic segments, working with some other resources focused on global markets. This role is complementary to that of the clusters, working together to ensure we are more attractive. This agency helps find facilities, recruit companies' first resources, and ease the mobility of their initial staff. Aderly supports this mobility for companies from countries across the world looking to invest in Lyon.

What are the general apprehensions and positive views of the region from outside?

Although France is often seen as a very rigid labour economy, the perception of investors is good as far as innovation is concerned. France is recognized for its higher education system but also for the productivity of its labour force, its strong infrastructure, and support to innovation. From this perspective, Lyon makes no exception. Thanks to the great dynamic that Lyon has been going through in the past years and the international communication that we are leading worldwide with our ONLYLYON city branding program, the investors are now considering Lyon equally to Paris or other European cities such as Barcelona, Brussels or Milano. The annual EY study about France's attractiveness shows regularly that Lyon is seen as the best challenger of Paris according to 60% of international investors, offering them the same business perspective but with valuable additional

assets such as the cost and quality of real estate, the economic specialization of Lyon in key sectors and the size of the city, that makes it more manageable. This is why Aderly had the hugest results ever, with over 92 new companies deciding to set up their business in Lyon in 2015.

Given the constant relocation of companies across Europe, what would you highlight as Lyon's key points for investment?

The dynamic of the pharmaceutical and biotech sectors are truly incredible here in Lyon, helped by the facility of connections between public and private sectors and with Europe by plane and train. The dynamic of education with 130,000 students in Lyon, of which 13,000 are foreign students, is also impressive; furthermore, many major schools excel in specific subjects such as business and engineering. Another one of Lyon's strengths is the good balance between the four pillars of economic development, innovation, education and quality of life. Aderly is promoting these points, especially towards life sciences companies, as Lyon is really the place to be in this field to gain access to innovation.

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